

A ferry departs the dock at Friday Harbor, San Juan Island.

#### Paula Hammond, P.E.

Secretary of Transportation HammonP@wsdot.wa.gov

#### Lloyd Brown

**Director of Communications** 360-705-7076 Brownl@wsdot.wa.gov

#### **David Moseley**

Assistant Secretary for WSF 206-515-3401 Moseled@wsdot.wa.gov

#### **Marta Coursey**

WSF Director of Communications 206-515-3918 Coursem@wsdot.wa.gov

10-05-0172

Americans with Disabilities Act (ADA) Information: Materials can be provided in alternative formats: large print, Braille, cassette tape, or on computer disk for people with disabilities by calling the Office of Equal Opportunity (OEO) at (360) 705-7097. Persons who are deaf or hard of hearing may contact OEO through the Washington Relay Service at 7-1-1

Title VI Statement to Public: It is the Washington State Department of Transportation's (WSDOT) policy to assure that no person shall, on the grounds of race, color, national origin and sex, as provided by Title VI of the Civil Rights Act of 1964, be excluded from participation in, be denied the benefits of, or be otherwise discriminated against under any of its federally funded Office of Equal Opportunity (OEO). For Title VI complaint forms and advice, please contact OEO's Title VI Coordinator at

programs and activities. Any person who believes his/her Title VI protection has been violated, may file a complaint with WSDOT's





# Washington **State Ferries**

WSDOT's commitment to a streamlined. efficient and wellmanaged ferry system that meets the needs of customers, ferry communities, and that serves the broader economic interests of our state.

# **Largest Ferry System**

WSDOT Ferries Division is the largest ferry system in the nation, carrying 23 million passengers per year. The Ferries Division carries ten million vehicles per year, making it the world's largest vehicle carrier.

# **Marine Highway**

The Ferries Division operates 20 auto/ passenger ferries, serving 20 terminals on nine routes. These vessels provide 450 daily sailings over 200 miles of marine highway from Tacoma in the south, to Sidney, B.C. in the north.

#### **Vessel Construction**

With nine ferries between 40 and 65 years old, the Ferries Division has begun the process of replacing the oldest ferries in the fleet. The 64-car Chetzemoka is the first of three new ferries scheduled to go into service by 2012.

# **Tourism and Economic Development**

Ferries are a major tourist attraction and icons of the state of Washington. Ferries Division vessels are specially designed to accommodate commercial vehicles and are the sole link for goods and services to Vashon Island and the San Juan Islands.

### **Environmental Stewardship**

In 2009, the Ferries Division completed a year-long pilot test, proving the viability of biodiesel in the marine environment. Today, the ferry system operates six central-Puget Sound vessels on a five percent blend of biodiesel and ultra low-sulfur diesel, with plans to expand biodiesel use to the entire fleet as biodiesel becomes available in other locations. The Ferries Division is also reducing fuel consumption through innovative Fuel Conservation Initiatives.

# Safe, Secure Travel

The Ferries Division works with the U.S. Coast Guard and Washington State Patrol to implement security measures to ensure passenger safety. As a port of entry and border crossing, the Ferries Division works with U.S. Customs and Border Protection to ensure the security of the U.S. border.

Over the past three years we have been working to better align the **Ferries Division** within WSDOT's agency culture and secure its long term viability as an integral part of the state's transportation system. We have come a long way, with more work to do.

#### **Efforts underway include:**

- Reducing Ferries Division administrative and operating costs to maximize efficiency;
- Continuing our work with the Legislature to create a sustainable financial plan for the Ferries Division;
- Re-gaining the confidence of ferry customers through reliable service;
- Demonstration of good project delivery practices in vessel construction;
- Creating stronger management controls at the Ferries Division and extending the WSDOT organizational culture of respect, transparency and accountability;
- Working with the Labor Relations
   Office to implement key statutory
   changes to the labor arbitration
   process and pursuing key collective bargaining priorities to make
   Ferries Division agreements more
   consistent with general government.



The new Washington State Ferry Chetzemoka is towed away from Todd Shipyards in Seattle.

#### **Decisive Leadership:**

We removed the four 80-year-old Steel-Electric Class ferries from service in November 2007, in response to serious hull safety issues after years of deferred ferry maintenance and vessel replacement investments.

#### Successful Re-organization, Efficiencies and Outreach:

Upon his arrival in early 2008, WSDOT Assistant Secretary for WSF David Moseley focused on improving ferry community relations, building legislative confidence in the system and reducing administrative and operating costs.

A few examples include:

- Eliminated 35 management/support positions – about 12 percent, reduced ongoing consulting costs (\$14.8M), and reduced non-labor costs (\$2.2M);
- Reduced fuel consumption from 34.8 million gallons in FY 07-09 to a projected 32.7 million gallons in FY 09-11, based on conservation initiatives implemented to date. More fuel savings will come with implementation of a fuel hedging program for price stability;
- Consolidated Ferries Division support services into WSDOT Headquarters in IT, Payroll, Budget, Return-to Work/ Risk Management, Construction and Contract Management for New Vessels, Communications, and Human Resources (pending).

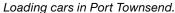
### 2010 Legislative Session: Landmark Legislation and Expectations for Labor Negotiations:

With Gov. Gregoire's help, we worked with the Legislature to secure important changes in Ferries Division labor arbitration laws to provide greater balance by eliminating "baseball" arbitration and requiring arbitrators to consider the state's ability to pay for arbitrated benefits. These accomplishments support our goal of cost containment for ferries operations.

# Ongoing Strong Management Controls and Accountability:

With firm support from Gov. Gregoire and the Legislature, and growing interest by the media in the area of employee compensation and work assignment practices, we have made a concerted effort to identify and eliminate issues that appear to benefit employees inequitably, or conflict with the state's interest in fair, but frugal operational costs.







A Washington State Ferry plies the waters of Puget Sound.

# **Going Forward:**

- Work with the State Auditor's Office to review payroll improvements made to date, and seek to identify further improvements in our ferries payroll and data system;
- Convene an independent five-member panel of public and private passenger-vessel industry leaders to review and assess the implementation of previous ferry audits and studies, assess Ferries Division operations and practices compared to other ferry systems, and recommend any best-practice changes;
- Eliminate travel time and mileage for future "special project" activities and recently required that approved special projects have a defined timeline with a deliverable product within that time;
- Eliminate the practice of some employees receiving both overtime pay and vacation pay if they were working during a scheduled vacation;

- Managers will have, as part of their personal performance appraisals, written expectations on WSDOT management/ union working relationships and the requirement that all interactions be handled with respect and impartiality;
- Management will develop overtime guidelines to significantly reduce overtime, unless it is essential for safe and effective operations;
- Initiate a more effective way for employees to expose unsafe, unethical or unwise practices;
- There will be a new quarterly "red flag" report for all
  Washington State Ferries
  employees making more than
  their base pay, to ensure
  oversight on what led to the
  extra pay and how we can
  manage it through collective
  bargaining or through ferry
  manager approval of past and
  current pay practices;
- Immediately fill the vacant
  Deputy Director position with
  a person who has maritime
  experience. This person will
  manage both the day-today operations of the ferry
  system (the largest in the
  nation), and provide oversight
  of implementation of ferry
  employee contracts, as well as
  work to ensure management/
  union/employee relationships
  continue with respect;
- Immediately return to the practice of regular ferry management/union meetings to discuss ferry budget, operations and topics important to both to maintain good relationships.



